

House File 650 - Introduced

HOUSE FILE 650

BY SANDS

A BILL FOR

1 An Act providing a sales tax exemption for the sales price from
2 the sale of certain items to the operator of a vehicle wash
3 and wax facility.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.3, Code 2011, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 96. The sales price of cleaning items sold
4 to the operator of a vehicle wash and wax facility if such
5 items are used by the facility operator or by a motor vehicle
6 user in the washing, waxing, drying, or vacuuming of the motor
7 vehicle. For purposes of this subsection, "*cleaning items*"
8 includes soap, cleanser, wax, water, rags, and towels. Items
9 attached to real property, such as scrubbers, are not exempt
10 under this subsection.

11 EXPLANATION

12 This bill provides a sales tax exemption for the sales price
13 of cleaning items sold to the operator of a vehicle wash and
14 wax facility. Cleaning items include soap, cleanser, wax,
15 water, rags, and towels, but does not include items attached to
16 real property, such as scrubbers.

17 By operation of Code section 423.6, an item exempt from the
18 imposition of the sales tax is also exempt from the use tax
19 imposed in Code section 423.5.